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# **Health & Families Council**

**Tuesday, December 6, 2005  
2:00 PM – 3:15 PM  
Reed Hall**

**Action Packet**

## COUNCIL MEETING REPORT

### Health & Families Council

12/6/2005 2:00:00PM

**Location:** Reed Hall (102 HOB)

**Attendance:**

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Anna Holliday Benson (Chair)	X		
Aaron Bean	X		
Mary Brandenburg	X		
Bill Galvano	X		
Rene Garcia	X		
Hugh Gibson	X		
Gayle Harrell	X		
Ed Homan	X		
Julio Robaina	X		
Eleanor Sobel	X		
Shelley Vana	X		
<b>Totals:</b>	<b>11</b>	<b>0</b>	<b>0</b>

Committee meeting was reported out: Tuesday, December 06, 2005 5:05:10PM

# COUNCIL MEETING REPORT

## Health & Families Council

12/6/2005 2:00:00PM

**Location:** Reed Hall (102 HOB)

**HB 3B CS : Medicaid**

☒ *Favorable With Committee Substitute -*

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Aaron Bean	X				
Mary Brandenburg		X			
Bill Galvano	X				
Rene Garcia	X				
Hugh Gibson	X				
Gayle Harrell	X				
Ed Homan	X				
Julio Robaina	X				
Eleanor Sobel		X			
Shelley Vana		X			
Anna Holliday Benson (Chair)	X				
<b>Total Yeas: 8</b>		<b>Total Nays: 3</b>			

### Appearances:

#### Medicaid

Tony Carvalho (Lobbyist) - Proponent

Teaching Hospital Council/Safety Net Hospital Alliance  
101 N. Gadsden St.  
Tallahassee Florida 32301  
Phone: 850/201-2096

#### Medicaid

Tom Arnold (Lobbyist) (State Employee) (At Request Of Chair) - Information Only

Agency for Health Care Administration  
2727 Mahan Drive  
Tallahassee Florida 32308  
Phone: 850/488-3560

#### Medicaid

Ralph Glatfelter (Lobbyist) - Information Only

FL Hospital Association  
306 E. College Avenue  
Tallahassee Florida 32301  
Phone: 850/222-9800

#### Medicaid

Paul Rosenberg - Information Only

Shands Health Care  
1600 SW Archer Rd.  
Gainesville Florida 32610  
Phone: 352/265-6995

Committee meeting was reported out: Tuesday, December 06, 2005 5:05:10PM

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## **COUNCIL MEETING REPORT**

### **Health & Families Council**

**12/6/2005 2:00:00PM**

**Location:** Reed Hall (102 HOB)

Medicaid

Paul Wharton (Lobbyist) - Information Only

Florida Pediatric Society/CMS/TENET

2356 Jose Circle North

Jacksonville Florida 32217

Phone: 904/563-0627

Medicaid

Donald Dawkins - Information Only

Self

2300 Fairfield Avenue

Sarasota Florida 34232

Phone: 941/371-7281

Medicaid

Lori Parham (Lobbyist) - Information Only

AARP

200 W. College Avenue

Tallahassee Florida 32303

Phone: 850/577-5170

**Committee meeting was reported out: Tuesday, December 06, 2005 5:05:10PM**

**Leagis ®**

Print Date: 12/6/2005 5:05 pm

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## **COUNCIL MEETING REPORT**

### **Health & Families Council**

**12/6/2005 2:00:00PM**

**Location:** Reed Hall (102 HOB)

#### **Summary:**

#### **Health & Families Council**

*Tuesday December 06, 2005 02:00 pm*

HB 3B CS

Favorable With Committee Substitute

Yeas: 8 Nays: 3

**Committee meeting was reported out: Tuesday, December 06, 2005 5:05:10PM**









HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.1 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED	___ (Y/N)
ADOPTED AS AMENDED	___ (Y/N)
ADOPTED W/O OBJECTION	<input checked="" type="checkbox"/> (Y/N)
FAILED TO ADOPT	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

1 Council/Committee hearing bill: Health & Families Council  
2 Representative Galvano offered the following:

**Amendment (with title amendment)**

Between lines 149 and 150, insert:

6 (e) This subsection shall stand repealed on June 30, 2006,  
7 unless reviewed and saved from repeal through reenactment by the  
8 Legislature.

10 ===== T I T L E A M E N D M E N T =====

11 Remove line 12 and insert:  
12 of the council; providing for future legislative review and  
13 repeal of the council; amending s. 409.912, F.S.; providing an

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.2 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	✓___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Health & Families Council

2 Representative Bean offered the following:

3  
4 **Amendment**

5 Remove line 119 and insert:

6 funding, and one representative of family practice teaching  
7 hospitals.

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.3 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION ☒ (Y/N)  
~~FAILED TO ADOPT~~ \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

1 Council/Committee hearing bill: Health & Families Council  
2 Representative Benson offered the following:  
3

4 **Amendment (with title amendment)**

5 Remove line 408 and insert:

6 health care providers, including minority physician networks and  
7 emergency room diversion programs that meet the requirements of  
8 s. 409.91211, which provides a substantial proportion  
9

10 ===== T I T L E A M E N D M E N T =====

11 Remove line 19 and insert:

12 updating a reference; including certain minority physician  
13 networks and emergency room diversion programs in the  
14 description of provider service networks; amending s. 409.91211,  
15 F.S.;

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.4 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	✓	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	___	

1 Council/Committee hearing bill: Health & Families Council

2 Representative Benson offered the following:

3  
4 **Amendment**

5 Between lines 683 and 684, insert:

6 6. Utilization and quality data for the purpose of  
7 ensuring access to medically necessary services, including  
8 underutilization or inappropriate denial of services.

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.5 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION ☒ (Y/N)  
FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

1 Council/Committee hearing bill: Health & Families Council  
2 Representative Benson offered the following:

4 **Amendment**

5 Remove lines 446-449 and insert:

6 intergovernmental transfers in accordance with published federal  
7 statutes and regulations. The agency shall distribute funds from  
8 the upper payment limit program, the hospital disproportionate  
9 share program, and the low income pool in accordance with  
10 published federal statutes, regulations, and waivers and the low  
11 income

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(6)

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.7 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED	___ (Y/N)
<del>ADOPTED AS AMENDED</del>	___ (Y/N)
ADOPTED W/O OBJECTION	✓ ___ (Y/N)
<del>FAILED TO ADOPT</del>	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

1 Council/Committee hearing bill: Health & Families Council

2 Representative Benson offered the following:

4 **Amendment**

5 Remove line 843 and insert:

6 s. 1011.70. County health departments and federally qualified  
7 health centers delivering school-based

9 ===== T I T L E A M E N D M E N T =====

10 Between lines 32 and 33, insert:

11 providing for Medicaid reimbursement of federally qualified  
12 health centers that deliver certain school-based services;

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.8 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION 1 (Y/N)  
~~FAILED TO ADOPT~~ \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

Council/Committee hearing bill: Health & Families Council  
Representative Benson offered the following:

**Amendment (with directory and title amendments)**

Between lines 387 and 388, insert:

(c) A federally qualified health center or an entity owned by one or more federally qualified health centers or an entity owned by other migrant and community health centers receiving non-Medicaid financial support from the Federal Government to provide health care services on a prepaid or fixed-sum basis to recipients. A federally qualified health center or an entity owned by one or more federally qualified health centers that is reimbursed by the agency on a prepaid basis is exempt from parts I and III of chapter 641 but must comply with the solvency requirements in s. 641.2261(2) and meet the appropriate requirements governing financial reserve, quality assurance, and patients' rights established by the agency. Such prepaid health care services entity must be licensed under parts I and III of chapter 641, but shall be prohibited from serving Medicaid recipients on a prepaid basis, until such licensure has been obtained. However, such an entity is exempt from s. 641.225 if

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.8 (for drafter's use only)

22 ~~the entity meets the requirements specified in subsections (17)~~  
23 ~~and (18).~~

24

25 ===== D I R E C T O R Y A M E N D M E N T =====

26 Remove line 150 and insert:

27 Section 3. Paragraphs (b), (c), and (d) of subsection (4)  
28 of

29

30 ===== T I T L E A M E N D M E N T =====

31 Remove line 15 and insert:

32 Medicaid health maintenance organizations; providing an  
33 exemption for federally qualified health centers and entities  
34 owned by federally qualified health centers from pts. I and III  
35 of ch. 641, F.S., under certain circumstances; deleting the

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.12 (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION ☒ (Y/N)  
FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

1 Council/Committee hearing bill: Health & Families Council  
2 Representative(s) Benson offered the following:

4 **Amendment (with title amendment)**

5 Remove line(s) 1058-1153 and insert:  
6 program as provided in this section.

7 (7) (a) The Secretary of Health Care Administration shall  
8 convene a technical advisory panel to advise the agency in the  
9 following areas: risk adjusted rate setting, benefit design,  
10 and choice counseling. The panel shall include representatives  
11 from the Florida Association of Health Plans, representatives  
12 from provider sponsored networks, and a representative from the  
13 Office of Insurance Regulation.

14 (b) The technical advisory panel shall advise the agency  
15 on the following:

16 1. The risk-adjusted rate methodology to be used by the  
17 agency including recommendations on mechanisms to recognize the  
18 risk of all Medicaid enrollees and transitioning to a risk-  
19 adjustment system, including recommendations for phasing in risk  
20 adjustment and the uses of risk corridors.

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.12 (for drafter's use only)

21        2. Implementation of an encounter data system to be used  
22 for risk-adjusted rates.

23        3. Administrative and implementation issues regarding the  
24 use of risk-adjusted rates, including, but not limited to, cost,  
25 simplicity, client privacy, data accuracy, and data exchange.

26        4. Benefit design issues, including the actuarial  
27 equivalence and sufficiency standards to be used.

28        5. The implementation plan for the proposed choice  
29 counseling system, including the information and materials to be  
30 provided to recipients, the methodologies by which recipients  
31 will be counseled regarding choices, criteria to be used to  
32 assess plan quality, the methodology to be used to assign  
33 recipients into plans if they fail to choose a managed care  
34 plan, and the standards to be used for responsiveness to  
35 recipient inquiries.

36        (c) The technical advisory panel shall continue in  
37 existence and advise the secretary on matters outlined in this  
38 subsection.

39        (8) The agency must ensure in the first two state fiscal  
40 years in which a risk-adjusted methodology is a component of  
41 rate setting that no managed care plan providing comprehensive  
42 benefits to TANF and SSI recipients has an aggregate risk score  
43 that varies by more than 10 percent from the aggregate weighted  
44 mean of all managed care plans providing comprehensive benefits  
45 to TANF and SSI recipients in a reform area. The agency's  
46 payment to a managed care plan shall be based on such revised  
47 aggregate risk score.

48        (9) After any calculations of aggregate risk scores or  
49 revised aggregate risk scores in subsection (8), the capitation

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.12 (for drafter's use only)

rates for plans participating under 409.91211 shall be phased in as follows:

(a) In the first year, the capitation rates shall be weighted so that 75 percent of each capitation rate is based on the current methodology and 25 percent is based upon a new risk-adjusted capitation rate methodology.

(b) In the second year, the capitation rates shall be weighted so that 50 percent of each capitation rate is based on the current methodology and 50 percent is based on a new risk-adjusted rate methodology.

(c) In the following fiscal year, the risk-adjusted capitation methodology may be fully implemented.

(10) Subsections (8) and (9) shall not apply to managed care plans offering benefits exclusively to high-risk, specialty populations. The agency shall have the discretion to set risk-adjusted rates immediately for said plans.

(11) Prior to the implementation of risk-adjusted rate, rates shall be certified by an actuary and approved by the federal Centers for Medicare and Medicaid Services.

(12) For purposes of this section, the term "capitated managed care plan" includes health insurers authorized under chapter 624, exclusive provider organizations authorized under chapter 627, health maintenance organizations authorized under chapter 641, the Children's Medical Services Network authorized under chapter 391, and provider service networks that elect to be paid fee-for-service for up to 3 years as authorized under this section.

(13) It is the intent of the Legislature that if any conflict exists between the provisions contained in this section and other provisions of chapter 409, as they relate to

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No.12 (for drafter's use only)

80 implementation of the Medicaid managed care pilot program, the  
81 provisions contained in this section shall control. The agency  
82 shall provide a written report to the President of the Senate  
83 and the Speaker of the House of Representatives by April 1,  
84 2006, identifying any provisions of chapter 409 that conflict  
85 with the implementation of the Medicaid managed care pilot  
86 program as created in this section. After April 1, 2006, the  
87 agency shall provide a written report to the President of the  
88 Senate and the Speaker of the House of Representatives  
89 immediately upon identifying any provisions of chapter 409 that  
90 conflict with the implementation of the Medicaid managed care  
91 pilot program as created in this section.

92  
93 Remove lines 1506-1523 and lines 1538-1543  
94

95 ===== T I T L E A M E N D M E N T =====

96 Remove line(s) 39-52 and insert:

97 requiring the Secretary of Health Care Administration to convene  
98 a technical advisory panel; providing for membership and duties;  
99 limiting aggregate risk score of certain managed care plans for  
100 payment purposes for a specified period of time; providing for  
101 phase in of capitation rates; providing applicability;  
102 requiring rates to be certified and approved; defining the term  
103 "capitated managed care plan"; providing for conflict between  
104 specified provisions of ch. 409, F.S., and requiring a report by  
105 the agency pertaining thereto;  
106

107 Remove lines 67-72 and insert:

108 amending s. 216.346, F.S.; revising provisions relating to  
109 contracts between state agencies; providing an

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

Bill No. 0003B

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
~~ADOPTED W/O OBJECTION~~ \_\_\_\_\_ (Y/N)  
FAILED TO ADOPT / (Y/N)  
~~WITHDRAWN~~ \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

Council/Committee hearing bill: Health & Families Council  
Representative Brandenburg offered the following:

**Amendment (with title amendment)**

Between lines 1537 and 1538, insert:

Section 12. Exemptions from Medicaid capitated managed  
care plan.--

(1) Children receiving foster care services, including  
residential group care, residential treatment, and therapeutic  
foster care, are not required to enroll in a Medicaid capitated  
managed care plan authorized under s. 409.91211, Florida  
Statutes, and shall continue to be covered on a fee-for-service  
basis.

(2) Persons participating in the independent living  
program are not required to enroll in a Medicaid capitated  
managed care plan authorized under s. 409.91211, Florida  
Statutes, and shall continue to be covered on a fee-for-service  
basis.

===== T I T L E A M E N D M E N T =====

Remove line 71 and insert:

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

22 agencies; exempting children receiving certain services and  
23 persons participating in the independent living program from  
24 participation in Medicaid capitated managed care plans;  
25 providing an appropriation; providing an

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HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. \_\_\_\_\_ (for drafter's use only)

Bill No. 3B CS

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
~~FAILED TO ADOPT~~ \_\_\_\_\_ (Y/N)  
WITHDRAWN ☒ (Y/N)  
OTHER \_\_\_\_\_

1 Council/Committee hearing bill: Health & Families Council

2 Representative(s) Homan offered the following:

4 **Amendment (with directory and title amendments)**

5 Remove line(s) 1233 and insert:

6 (f) Effective July 1, 2008, when a Medicaid recipient does  
7 not choose a managed

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